

**KENTUCKY DEPARTMENT OF EDUCATION  
DIVISION OF FACILITIES MANAGEMENT  
AMENDMENT TO THE  
STANDARD FORM OF AGREEMENT  
BETWEEN OWNER AND CONTRACTOR  
AIA A101-2007**

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**ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

- 3.3** Add the following: "Liquidated Damages: As actual damages for delay in completion of Work are impossible to determine, the Contractor and his Surety shall be liable for and shall pay to the Owner the sum of \$\_\_\_\_\_, not as a penalty, but as fixed, agreed and liquidated damages for each calendar day of delay until the Contract Work is substantially completed as defined in the General Conditions of the Contract for Construction.  
"The Owner shall have the right to deduct liquidated damages from money in hand otherwise due, or to become due, to the Contractor, or to sue and recover compensation for damages for failure to substantially complete the Work within the time stipulated herein. Said liquidated damages shall cease to accrue from the date of Substantial Completion."

**ARTICLE 5 PAYMENTS**

- 5.1.3** Add the following: "State law (KRS 371.405) requires the Owner to pay undisputed Applications for Payment within forty-five (45) business days following receipt of the invoices. If the Owner fails to pay the Contractor within forty-five (45) business days following receipt of an undisputed Application for Payment, state law requires the Owner shall pay interest to the Contractor beginning on the forty-sixth business day after receipt of the Application for Payment, computed at the rate required by state law.
- 5.1.8** Revise subparagraph to read: "The Owner shall retain ten percent (10%) from each Application for Payment up to fifty percent (50%) completion of the Work, then, provided the Work is on schedule and satisfactory, and upon written request of the Contractor together with consent of surety and the recommendation of the Architect, the Owner shall approve a reduction in retainage to five percent (5%) of the current Contract Sum. No part of the five percent (5%) retainage shall be paid until after Substantial Completion of the Work, as defined in the General Conditions of the Contract for Construction. After Substantial Completion, if reasons for reduction in retainage are certified in writing by the Architect, a reduction to a lump sum amount less than the five percent (5%) retainage may be approved by the Owner when deemed reasonable. The minimum lump sum retainage shall be twice the estimated cost to correct deficient or incomplete work."
- 5.2.1** Add condition 5.2.1.3, as follows: "The Contractor provides the Owner with affidavits that all payrolls, bills for materials, supplies and equipment, and other indebtedness connected with the Work have been paid or otherwise satisfied, and with Consent of Surety for final payment."
- 5.2.2** Delete the entire paragraph.

**ARTICLE 6 DISPUTE RESOLUTION**

- 6.1** Delete the words: " , unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker."

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

- 8.2** Revise the sentence to read "...shall bear interest from the date payment is due at such rate required by state law, or in the absence of law, at the prevailing legal rate at the time and place where the Project is located."

**END OF AMENDMENT**